ELLIOTT & ELLIOTT, P.A.

ATTORNEYS AT LAW

1508 Lady Street
COLUMBIA, SOUTH CAROLINA 29201
selliott@elliottlaw.us

SCOTT ELLIOTT

TELEPHONE (803) 771-0555 FACSIMILE (803) 771-8010

January 29, 2019

VIA ELECTRONIC FILING

Jocelyn Boyd, Esquire Chief Clerk and Administrator South Carolina Public Service Commission 101 Executive Center Drive Columbia, SC 29210

RE: Application of Carolina Water Service, Inc. for Approval to Charge Actual Cost for

Pumping Interceptor Tanks Docket No. 2018-361-S

Dear Ms. Boyd:

Enclosed please find copies of correspondence mailed to Protestants by Blue Granite Water Company (formerly known as Carolina Water Service, Inc.) explaining the need for the relief requested in the above-captioned docket. Please file these responses in the docket at your earliest convenience.

We continue to make every effort to inform the affected customers that pumping and cleaning interceptor tanks is a necessary measure to prevent issues with the sewer system, to improve quality of service, and to increase the longevity of the system for the benefit of all customers served by LETTS tank systems. Proper maintenance of the system helps to lessen the amount of future capital needed for the system and rate increases associated therewith and supports cost causation principles.

If you have any questions, please do not he sitate to contact me.

Sincerely

Elliott & Elliott, P.A.

Scott Elliott

SE/lbk Enclosures

cc: Counsel of record (w/enclosures)



Alex & Ginger Smith 15 Clay Court Chapin, SC 29036

Dear Mr. and Mrs. Smith:

I am writing on behalf of Blue Granite Water Company (BGWC) in response to your comments submitted to the Public Service Commission regarding our request to charge actual cost of pumping and cleaning interceptor tanks. We appreciate your feedback and are providing further explanation for your clarity below.

BGWC can currently charge \$150 to pump and clean interceptor tanks. Our recent request to charge the actual cost for pumping and cleaning interceptor tanks serves as a means to lessen the amount of future rate increases and supports cost causation principles. Pumping and cleaning your interceptor tank is a necessary measure for BGWC to proactively prevent any issues with the sewer system. This process will help improve your quality of service and increase the longevity of your system.

If you have any further questions about this filing, please feel free to reach out to me via email at rhannon@bluegranitewaterco.com or by phone at 864-203-0237.

Sincerely,

Reese Hannon

Reac Home

Communications & Community Relations



Barbara & Maxton King 132 Forty Love Point Drive Chapin, SC 29036

Dear Mr. and Mrs. King:

I am writing on behalf of Blue Granite Water Company (BGWC) in response to your comments submitted to the Public Service Commission regarding our request to charge actual cost of pumping and cleaning interceptor tanks. We appreciate your feedback and are providing further explanation for your clarity below.

BGWC has added grinder stations to three homes in the Forty Love Point community. This was the short-term fix for sewer backup in those three homes. Since the installation of these grinder stations, there has been no sewage backup at these homes. The long-term solution is installing a lift station to help manage flows. Construction on this project has begun and has a target completion date of mid-February.

Proactively pumping and cleaning interceptor tanks will ensure our ability to better serve your community. BGWC's request to charge actual cost for pumping and cleaning interceptor tanks serves as a means to lessen the amount of future rate increases and supports cost causation principles.

If you have any further questions about this filing, please feel free to reach out to me via email at rhannon@bluegranitewaterco.com or by phone at 864-203-0237.

Sincerely,

Reese Hannon

Race Haran

Communications & Community Relations



Bob & Nancy Williamson 228 Match Point Drive Chapin, SC 29036

Dear Mr. and Mrs. Williamson:

I am writing on behalf of Blue Granite Water Company (BGWC) in response to your comments submitted to the Public Service Commission regarding our request to charge actual cost of pumping and cleaning interceptor tanks. We appreciate your feedback and are providing further explanation for your clarity below.

BGWC can currently charge \$150 to pump and clean interceptor tanks. Our recent request to charge the actual cost for pumping and cleaning interceptor tanks serves as a means to lessen the amount of future rate increases and supports cost causation principles. Pumping and cleaning your interceptor tank is a necessary measure for BGWC to proactively prevent any issues with the sewer system. This process will help improve your quality of service and increase the longevity of your system.

If you have any further questions about this filing, please feel free to reach out to me via email at rhannon@bluegranitewaterco.com or by phone at 864-203-0237.

Sincerely,

Reese Hannon

Rose Home

Communications & Community Relations



Christopher & Scarlett Skinner 19 Castle Vale Circle Irmo, SC 29063

Dear Mr. and Mrs. Skinner:

I am writing on behalf of Blue Granite Water Company (BGWC) in response to your comments submitted to the Public Service Commission regarding our request to charge actual cost of pumping and cleaning interceptor tanks. We appreciate your feedback and are providing further explanation for your clarity below.

This request will only affect customers who have interceptor tanks. You do not have an interceptor tank at your home, so this request will have no impact on your bill.

Customers with interceptor tanks will be the only customers impacted by this request. Pumping and cleaning interceptor tanks helps BGWC prevent any major issues in the sewer system. If approved, customers who are serviced with interceptor tanks would be charged the actual cost of pumping and cleaning the interceptor tank. Having the ability to charge actual cost for pumping and cleaning interceptor tanks serves as a means to lessen the amount of future rate increases and supports cost causation principles.

If you have any further questions about this filing, please feel free to reach out to me via email at rhannon@bluegranitewaterco.com or by phone at 864-203-0237.

Sincerely,

Reese Hannon

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Communications & Community Relations



Mr. David Schmidt 117 Cove View Drive Irmo, SC 29063

Dear Mr. Schmidt:

I am writing on behalf of Blue Granite Water Company (BGWC) in response to your comments submitted to the Public Service Commission regarding our request to charge the actual cost of pumping and cleaning interceptor tanks. We appreciate your feedback and are providing further explanation for your clarity below.

The current fee which BGWC is allowed to charge customers for cleaning and pumping interceptor tanks is \$150. Since the time this rate was ordered, the actual price of pumping and cleaning interceptor tanks has risen. In response, BGWC has asked the Public Service Commission to allow us to charge the actual price for pumping charges. This supports cost causation principles and will serve as a means to lessen the amount of future rate increases.

If this request is approved, when a customer has his interceptor pumped and cleaned, the customer will be provided with a cost breakdown of service provided. This cost would be added to the following bill as a separate item, or at the customer's request, the balance could be paid in twelve equal monthly installments.

If you have any further questions about this filing, please feel free to reach out to me via email at rhannon@bluegranitewaterco.com or by phone at 864-203-0237.

Sincerely,

Reese Hannon

Rose Homen

Communications & Community Relations



H. M. Fields2 Clay CourtChapin, SC 29036

Dear H.M. Fields:

I am writing on behalf of Blue Granite Water Company (BGWC) in response to your comments submitted to the Public Service Commission regarding our recent filing to charge actual cost of pumping and cleaning interceptor tanks. We appreciate your feedback and are providing further explanation for your clarity below.

BGWC will allow any customer to maintain his own interceptor tank. BGWC has requested to charge actual cost of pumping and cleaning interceptor tanks, which will serve as a means to lessen the amount of future rate increases and support cost causation principles. BGWC will inspect all interceptor tanks and speak with each customer about the state of his tank. If the tank needs to be cleaned, the customer will have the opportunity to have the tank cleaned himself. If the customer does not have the tank cleaned himself, BGWC will have the tank cleaned and the customer will be given a cost breakdown of service. The cost will be added to the customer's next bill, or at the customer's request, the balance could be paid in twelve equal monthly installments.

If you have any further questions about this filing, please feel free to reach out to me via email at rhannon@bluegranitewaterco.com or by phone at 864-203-0237.

Sincerely,

Reese Hannon

Reace Have

Communications & Community Relations



Mr. Jack Stewart 133 Forty Love Point Drive Chapin, SC 29036

Dear Mr. Stewart:

I am writing on behalf of Blue Granite Water Company (BGWC) in response to your comments submitted to the Public Service Commission regarding our request to charge actual cost of pumping and cleaning interceptor tanks. We appreciate your feedback and are providing further explanation for your clarity below.

allow you to maintain your own interceptor tank, we have an obligation to proactively inspect interceptor tanks to ensure that all measures have been taken to prevent any issues with the system. BGWC is developing a proactive maintenance schedule that will organize our efforts to keep interceptor tanks clean and running properly. If upon inspection, the tank does not need to be cleaned, the customer will be notified, and no charge will be incurred. If the tank needs to be cleaned, BGWC will contact the customer and give him the option of getting the tank cleaned himself prior to completing any work. BGWC will speak with each customer prior to any inspection or cleaning of the interceptor tank.

If you have any further questions about this filing, please feel free to reach out to me via email at rhannon@bluegranitewaterco.com or by phone at 864-203-0237.

Sincerely,

Reese Hannon

Rear Home

Communications & Community Relations



Ms. Katherine Klein 164 Regency Drive Columbia, SC 29212

Dear Ms. Klein:

I am writing on behalf of Blue Granite Water Company (BGWC) in response to your comments submitted to the Public Service Commission regarding our request to charge actual cost of pumping and cleaning interceptor tanks. We appreciate your feedback and are providing further explanation for your clarity below.

This request will have no impact on your bill. Your home does not have an interceptor tank, which means that the approval of this request will not impact your rates. BGWC's sewer rate is a flat rate based on our cost to treat the sewer. This rate design helps to spread the cost of treating wastewater across the rate base.

If you have any further questions about this filing, please feel free to reach out to me via email at rhannon@bluegranitewaterco.com or by phone at 864-203-0237.

Sincerely,

Reese Hannon

Rose Homen

Communications & Community Relations



Mr. and Mrs. Byrd 334 Forty Love Point Road Chapin, SC 29036

Dear Mr. and Mrs. Byrd:

I am writing on behalf of Blue Granite Water Company (BGWC) in response to your comments submitted to the Public Service Commission regarding our request to charge actual cost of pumping and cleaning interceptor tanks. We appreciate your feedback and are providing further explanation for your clarity below.

BGWC will allow any customer to maintain his own interceptor tank. Cleaning and pumping interceptor tanks is a necessary part of maintaining the sanitary sewer system at Forty Love Point. Tanks need to be cleaned out every three to five years. BGWC is developing a proactive maintenance schedule that will organize our efforts to keep interceptor tanks clean and running properly. Tanks will be inspected as a part of this maintenance schedule, which will keep the frequency of pumping and cleaning interceptor tanks consistent. This supports cost causation principles and will serve as a means to lessen the amount of future rate increases.

If you have any further questions about this filing, please feel free to reach out to me via email at rhannon@bluegranitewaterco.com or by phone at 864-203-0237.

Sincerely,

Reese Hannon

Rose Home

Communications & Community Relations



Reid Radtke 8 Clay Court Chapin, SC 29036

Dear Reid Radtke:

I am writing on behalf of Blue Granite Water Company (BGWC) in response to your inquiry sent to the Public Service Commission regarding our recent filing to charge actual cost of pumping and cleaning interceptor tanks. We appreciate your feedback and are providing further explanation for your clarity below.

BGWC will allow any customer to maintain his own interceptor tank. Although BGWC will allow you to maintain your own interceptor tank, we have an obligation to proactively inspect interceptor tanks to ensure that all measures have been taken to prevent any issues with the system. If upon inspection, the tank does not need to be cleaned, the customer will be notified, and no charge will be incurred. If the tank needs to be cleaned, BGWC will contact the customer and give him the option of having the tank cleaned himself prior to BGWC completing any work. BGWC will speak with each customer prior to any inspection or cleaning of the interceptor tank.

If you have any further questions about this filing, please feel free to reach out to me via email at rhannon@bluegranitewaterco.com or by phone at 864-203-0237.

Sincerely,

Reese Hannon

Reace Howen

Communications & Community Relations

CERTIFICATE OF SERVICE

The undersigned employee of Elliott & Elliott, P.A. does hereby certify that she has served below listed parties with a copy of the pleading(s) indicated below by mailing a copy of same to them in the United States mail, by regular mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

RE:

Application of Carolina Water Service, Inc. for Approval to

Charge Actual Cost for Pumping Interceptor Tanks

Docket No. 2018-361-S

PARTIES SERVED:

Jeffrey M. Nelson, Esquire Office of Regulatory Staff 1401 Main Street, Suite 900 Columbia, SC 29201

Laura P. Valtorta, Esquire

903 Calhoun Street Columbia, SC 29201

PLEADINGS:

Letter

January 29, 2019

Linda B. Kitchens, Paralegal

Elliott & Elliott, P.A. 1508 Lady Street Columbia, SC 29201

(803)771-0555 linda@elliottlaw.us